

Frequently Asked Questions for July 1, 2006

Q. Under the routine wellness benefit, what is meant by lab work?

A. Laboratory work includes any tests done in conjunction with your annual physical. Examples would be blood tests or a chest x-ray.

Q. What is the difference between dental coverage under the COVA HDHP and under COVA Care?

A. Dental coverage under the COVA HDHP is equivalent to Expanded Dental coverage under COVA Care, except for the lifetime maximum on orthodontics, which is higher under the HDHP.

COVA CARE /COVA HDHP Dental Comparison

| Services/Limits | COVA CARE No deductible | COVA HDHP \$25/\$50/\$75 plan year deductible. Applies to all services except for Diagnostic/Preventive |
|---|---|---|
| Diagnostic/Preventive <ul style="list-style-type: none"> Cleaning and bitewing x-rays Panoramic every 3 years | Plan pays 100% allowable charge | Plan pays 100% allowable charge |
| Primary services <ul style="list-style-type: none"> Fillings Extractions Root canal therapy | 80%/20% coinsurance | 80%/20% coinsurance |
| Prosthetic <ul style="list-style-type: none"> Complex restorative Crowns, bridges dentures | 50% coinsurance if optional benefit is selected | 50% coinsurance |
| Calendar year limit | \$1,200 Basic increases to \$1,500 if optional benefit is selected | \$1,500 |
| Orthodontic services Lifetime limit | \$1,200 separated from calendar maximum. Benefit is paid at 50%, if optional benefit is selected. | \$1,500 separated from calendar maximum. Benefit is paid at 50% |

Q. What is the advantage of the COVA HDHP?

A. Enrolling in the COVA HDHP allows you to set up a tax-advantaged Health Savings Account (HSA) if desired. This account allows you to make tax-deferred contributions of up to \$1,200 for an individual and \$2,400 for two or more people each calendar year. You own the account, it is portable and you do not have to “use it or lose it.” For additional information, consult your financial advisor.

Q. Please give more details on the changes to wellness services.

- A.** Beginning July 1, COVA Care and the COVA HDHP have no deductible, copayments or coinsurance for wellness services. The COVA Care plan pays 100% of the allowable charge for:
- Well child services (through age 6)
 - One annual routine wellness visit (ages 7 and older)
 - Routine wellness lab, immunizations and x-rays up to \$500 per plan year (ages 7 and older)
 - Preventive care – one of each service or screening per plan year with specific age limits

The COVA HDHP wellness benefits are the same, except that there is no limit on the amount the plan will pay for lab, immunizations and x-rays (ages 7 and older).

Q. In trying to meet the COVA HDHP deductible, are we charged the allowable charge or the entire amount?

- A.** You pay the allowable charge, or negotiated discounted rate, for COVA HDHP in-network services.

Q. Is there a waiting period for coverage under Delta Dental?

- A.** The current 12-month waiting period for orthodontic services will be eliminated beginning July 1, 2006.

Q. If you use a non-participating provider under the COVA HDHP, does the amount charged go toward the deductible?

- A.** For non-participating providers, no charges go toward the deductible unless you receive emergency services.

Q. How does the COVA HDHP coverage compare for someone who is healthy versus someone with a great deal of medical bills?

- A.** The coverage you select is an individual decision. Consider carefully whether you can afford to pay the high deductible before the plan pays part of the cost. Also look closely at your premium, benefits and out-of-pocket expenses.

Q. How is an emergency defined under the state program?

A. The definition of an emergency is what a prudent layperson would consider to be life-threatening. For example, if you go to the emergency room with chest pains, believing you are having a heart attack, and it turns out to be indigestion, that is still considered an emergency because you believed you were having a heart attack.

Q. If I join the COVA HDHP this year, put money into an HSA, and then next year return to COVA Care, what happens to the money in my HSA account?

A. The Health Savings Account (HSA) belongs to you. If you return to COVA Care, you can no longer make contributions to the HSA, but you can use the money already in your account to pay for qualified out-of-pocket expenses under COVA Care.

Q. Does the definition of an emergency also apply to dental emergencies?

A. No. However, an accidental injury to the mouth that requires medically necessary dental services would be covered under the medical benefit.

Q. Do the COVA HDHP dental benefits apply to the plan deductible?

A. No. COVA HDHP dental benefits have a separate deductible. Your out-of-pocket dental expenses do not apply toward the HDHP deductible.

Q. If I elect the COVA HDHP, does that mean that Medco would no longer administer my prescription drug benefit?

A. Yes. Anthem will administer prescription drugs for the COVA HDHP.

Q. How do I find a list of network providers for the COVA HDHP?

A. To find a list of participating providers, visit the Anthem Web site at www.anthem.com.

Q. I am an early retiree and will turn 65 in November. My wife is under 65, and is currently my dependent under COVA Care. What do I need to do?

A. Decide during Open Enrollment about any changes to your health coverage effective July 1. Prior to reaching age 65 you need to enroll in Medicare Parts A & B. Once you turn 65 you must enroll in an Advantage 65 plan or cancel your coverage under the retiree health benefits program. Your wife will remain under the state non-Medicare plan. See your Benefits Administrator for more information.

Q. If I receive a mammogram, and have a diagnosis associated with a previous mammogram, how would the current mammogram be covered?

A. The current mammogram would no longer be considered routine. Depending on the plan, you would pay the appropriate deductible and coinsurance.

Q. The COVA HDHP has a mandatory generic prescription drug benefit. Does that mean there is no coverage for non-generic drugs?

A. No. Brand-name drugs are covered. However, if you obtain a supply of a brand-name drug, and a generic is available, you pay the difference in cost between the brand and the generic, plus 20 percent coinsurance once your deductible is met.

Q. I am having surgery in a few months. Can I be balance billed by other specialists who take part in the surgery who are not network providers, for example, anesthesiologists?

A. Yes, you may be balanced billed by doctors who do not participate in the Anthem network. If you are having surgery, and are enrolled in a network-only plan, it is important to find out whether all providers involved in the surgery are in the network. Otherwise, you may have to pay the difference in cost between the provider's charge and Anthem's allowable charge.

If the facility is not in the Anthem network and you are enrolled in a network-only plan, no payment will be made to either the facility or the non-network provider.

Q. Can I put money in a Health Savings Account (HSA) to pay for dental expenses?

A. Yes. Dental expenses are considered qualified medical expenses for an HSA.

Q. If I am enrolled in an HDHP, can I have a Dependent Care FRA?

A. Yes. You also can enroll in the state Medical FRA as long as you do not also have an HSA.

Q. If I am covered under a secondary plan, can I enroll in the COVA HDHP?

A. Yes, you may enroll in the COVA HDHP but you cannot contribute to an HSA.

Q. If I enroll in the COVA HDHP, can I make pre-tax contributions to an HSA through payroll deduction?

A. No. There will be no state pre-tax payroll deduction for an HSA.

Q. There is no employee premium this year for the COVA HDHP. What about next year?

A. There is the possibility of a premium next year for the COVA HDHP. Premiums are based on the group experience of the State Health Benefits Program.

- Q. Under COVA Care, any part of the deductible satisfied during the 4th quarter of the plan year (April – June) carries over into the new plan year. If I switch to the COVA HDHP, will this amount under COVA Care carry over?**
- A.** No. The COVA HDHP is a separate plan. Additionally, the COVA HDHP does not contain a carry over provision.
- Q. If COVA Care has already paid the maximum for someone receiving orthodontic treatments, but the treatment will continue for another year, can services paid by the participant after 7/1/06 be reimbursed by the FRA?**
- A.** If the patient is in active orthodontic treatment after 7/1/06 (the beginning of the new plan year), any payments made to the provider can be reimbursed using the Medical Flexible Reimbursement Account.
- Q. Any chance that the FRA will be moved from fiscal year to calendar year?**
- A.** Because the Commonwealth of Virginia operates on a fiscal year it is unlikely that the flexible reimbursement accounts will be changed to a calendar year.
- Q. How does the COVA HDHP out-of-pocket maximum work for a family of two or more?**
- A.** Under the HDHP, the out-of-pocket maximum must be met before the plan pays 100% of the allowable charge for covered services. There is a \$10,000 out-of-pocket maximum for a family of two or more. However, the entire \$10,000 does not have to be met before covered services for one person will be paid at 100% of AC, if that person incurs \$5,000 in out-of-pocket expenses for covered services. For a family of three or more, if the entire family incurs \$10,000 in covered services, all of the family's covered services for the remainder of the plan year are paid at 100% of the AC.
- Q. Can I change plans (COVA Care to COVA HDHP or vice versa) with a qualifying mid-year event?**
- A.** Yes. But remember that any deductible amount you incur in the first plan does not carry over to the subsequent plan.
- Q. Can employees make multiple changes during Open Enrollment?**
- A.** Yes. Employees may continue to make Open Enrollment elections during the entire Open Enrollment period, but the last election is the binding one.
- Q. A provider listed in the Anthem printed directory is no longer participating in the Anthem network. Who do I need to contact?**
- A.** Contact Anthem directly at 1-800-552-2682. Anthem provides two provider directories, one in print and the other on the Anthem Web site. The printed directory is an annual snapshot in time, so any provider that leaves the network after that snapshot will still show as participating for the year. The Web directory is updated weekly. It is likely that a provider would appear in the printed directory but would not appear in the Web directory. When you contact Anthem, please specify which directory, printed or Web, has the outdated information.

- Q. Are physician allowable charges the same for the COVA HDHP and COVA Care?**
- A.** Yes, provided that the services are identical.
- Q. If you haven't met your deductible with the COVA HDHP, do you receive the advantage of negotiated rates?**
- A.** Yes.
- Q. What is the billing process when you are enrolled in the COVA HDHP and go to the doctor?**
- A.** Doctors have two choices. First, they can bill the patient for the total allowable change. The patient then receives an Explanation of Benefits for reconciliation purposes. Second, doctors can file the claim with Anthem and then bill the patient for appropriate charges. While providers have these options, Anthem has found that most will file the claim and then bill the patient.
- Q. If someone enrolls in the COVA HDHP and they have a catastrophic accident before July 1, 2006, will they have to remain in the COVA HDHP and pay the full deductible?**
- A.** Yes, unless the participant experiences a qualifying mid-year event.
- Q. Is the State Health Benefits Program considering a debit card program for the Medical Flexible Reimbursement Account?**
- A.** DHRM continually reviews the requirements for implementation of the stored value (debit) cards. We have been unable to resolve several administrative issues related to use of the card. We are continuing to work to resolve these issues so that we can implement the use of the card with the Commonwealth's flexible benefits plan in the future.
- Q. Are there out-of-network providers for medical, behavioral health and EAP services with the COVA HDHP?**
- A.** The COVA HDHP covers services from providers who participate in the Anthem PPO network in Virginia. In addition, members have access to the BlueCard® PPO and BlueCard Worldwide® networks outside Virginia. Except in an emergency, there is no medical or behavioral health coverage outside the network. Under the EAP, case managers evaluate the member's situation and refer them to a professional if needed.
- Q. Does the COVA HDHP have out-of-network prescription drug benefits?**
- A.** Drugs may be purchased at retail pharmacies or through the mail service pharmacy. You may go to both in-network or out-of-network pharmacies. However, you must file a claim if you use a non-network pharmacy, and reimbursement is limited to the generic drug allowable charge less your deductible or coinsurance.

Q. Does the COVA HDHP have out-of-network dental benefits?

A. You may use both in-network and out-of-network dentists. However, non-network dentists may bill you for amounts above the allowable charge.

Q. Are there out-of-network providers for the COVA HDHP?

A. For the COVA HDHP, there is no out-of-network coverage for medical or behavioral health providers except in an emergency.